

*giftaid it*

# WHAT IS GIFT AID?

- **A UK Tax incentive that enables tax-effective giving by individuals to UK Charities.**
- **To be eligible donors must be a UK Income Tax and/or Capital Gains Taxpayer.**

# WHO CAN CLAIM GIFT AID?

- **A UK registered Charity or a Community Amateur Sports Club.**

# WHAT DONATIONS APPLY?

- **Cash from individuals – UK Tax Payers**
- **Income from Charity Shops on value of Goods sold.**
- **Charity Events subject to certain rules.**

# CASH

- **Cash donations by individual UK Income Tax and/or Capital Gains Tax payer.**
- **The donor must not gain any benefit from the donation but they can be given a publicity brochure that explains the purposes of the Charity.**

# GOODS

- **Charity Shops – the Charity operates a retail Gift Aid scheme to sell goods donated to it provided the donor agrees that the Charity retains the proceeds of the sale.**
- **The donor must have completed a Gift Aid Form – discussed later.**
- **The goods must be marked to annotate Gift Aid applicable.**

# CHARITY MEMBERSHIP FEES

- In our context – applicable to CIOs only
- The amount claimable is the membership subscription only.
- If Club adds the cost of Dinner meetings and/or their Charter, this element is NOT eligible for Gift Aid.

# CHARITY EVENTS

- **To qualify for Gift Aid the payment must be voluntary, not a compulsory payment to attend a specific event.**
- **Suggested minimum payments do qualify for Gift Aid.**
- **Donation only events are admissible for Gift Aid.**
- **Any voluntary donations above the Ticket Price are admissible.**



# **VOLUNTEER EXPENSES**

- **A volunteer can be re-imbursed reasonable cost or expenses incurred during their work.**
- **A volunteer can either retain the payment or decide to pay part or all of it back to the charity. This payment is treated as a donation and qualifies for Gift Aid.**
- **Suggestion – if a member does not wish to accept payment for expenses incurred it can be donated.**

# **GIFT AID SMALL DONATIONS SCHEME**

- **Applicable for small donations up to £30.**
- **This is applicable on donations made using Contactless Technology.**
- **Cash donations e.g. bucket collections.**
- **No requirement for Gift Aid forms, must have claimed Gift Aid – this represents a Top-up payment.**

# HOW TO CLAIM

- **Register your Charity with HMRC for Gift Aid.**
- **You will need a Government Gateway password.**
- **Design a Gift Aid Form and ask all members/Donors to sign, suggest you ask them to allow a backdate.**
- **Retain forms for 6 years after last claim.**

# ACCOUNTING

- **Download claim forms from HMRC Gift Aid website.**
- **Record all donations/membership fees against each person.**
- **Submit claim to HMRC – suggest once per year.**

**QUESTIONS?**